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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

January 4, 2001

VIA HAND DELIVERY

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: In the Matter of Standardized and Enhanced Disclosure
Requirements for Television Broadcast Licensee Public Interest
Obligations, MM Docket No. 00-168

Dear Ms. Salas:

Transmitted herewith are an original and nine (9) copies of Capitol Broadcasting Company, Inc.'s Informal Comments in the above-captioned proceeding.

An extra copy of the filing is enclosed. Please date-stamp the extra copy and return it to the courier for return to me.

Should you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

CAPITOL BROADCASTING COMPANY, INC.

/s/ James F. Goodmon

James F. Goodmon
President

Enclosure

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CAPITOL BROADCASTING COMPANY, INC.

ORIGINAL

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION**
Washington, D.C. 20554

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Television Broadcast Licensee)
Public Interest Obligations)

MM Docket No. 00-168

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

To: The Commission

**INFORMAL COMMENTS OF
CAPITOL BROADCASTING COMPANY, INC.**

I. Introduction.

Capitol Broadcasting Company, Inc. ("CBC"), pursuant to Section 1.419 of the Commission's rules, 47 C.F.R. § 1.419, hereby submits these informal comments in response to the above-captioned proposed rulemaking. CBC files these comments in its capacity as the licensee of local television stations WRAL-TV and WRAL-DT, Raleigh, North Carolina; WRAZ-TV, Durham, North Carolina; WJZY-TV, Charlotte, North Carolina; WILM-LPTV, Wilmington, North Carolina; and WFVT-TV, Rock Hill, South Carolina.

One of the fundamental obligations of broadcast licensees under the Communications Act of 1934, as amended, is to serve the "public interest, convenience and necessity." 47 U.S.C. § 301(c)(1). The rationale behind this rule is that a television station is allocated to a local community, and that the station has an affirmative obligation to serve the interests of that community, regardless of

whether the station is operating in the NTSC or digital mode. While CBC provides such services, and believes that many if not all broadcast licensees provide similar services, currently the Commission has no workable mechanism to measure these public interest services.

II. CBC Supports the Adoption of a Standardized Public Interest Form.

As a local broadcaster keenly aware of its duty to serve local community interests, CBC fully supports the tentative conclusions reached by the Commission in its Notice of Proposed Rulemaking in this proceeding. The public deserves to know how broadcast stations serve their local communities.

The standardized form proposed by the Commission, and previously proposed by the Gore Commission,¹ would provide a uniform methodology for quantifying the public interest services offered by local broadcasters, while correctly leaving editorial control over public interest programming with each broadcaster.

CBC submits that the proposed form is no more an intrusion on the editorial rights of a broadcaster than current FCC reporting and recordkeeping requirements, including: 1) certification of compliance with the commercial limits on children's programming; 2) quarterly Children's Television Programming Reports (FCC Form 398); or 3) the issues/programs lists that must be maintained in each broadcast station's public inspection file.

¹ Mr. James F. Goodmon, the President of CBC, served as an active member of the Gore Commission. Mr. Goodmon served as chair of the Working Group on Minimum Public Interest Standards. Attached hereto as Exhibit A is Mr. Goodmon's statement from the Gore Commission Report, in which Mr. Goodmon expresses his support of minimum standards for digital television stations. The statement is hereby incorporated by reference. Also incorporated by reference is Mr. Goodmon's testimony before the Federal Communications Commission dated October 16, 2000, attached hereto as Exhibit B.

Furthermore, a standardized form would bring consistency and uniformity to the public inspection file process. Broadcasters currently employ various methods of presenting their inspection files to the public; a standardized method will provide ease of use for both the public and broadcasters alike.

III. Contents of the Form.

CBC strongly supports and urges the Commission to adopt the standardized form initially proposed by the Gore Commission, attached hereto as Exhibit C. The information that can be gleaned from the standardized form will provide the Commission with the tools necessary to carry out its legislative mandate with regard to the broadcast industry's public interest services. In addition, the information provided on the form will present data to enable the public to review and draw conclusions as to whether a station is serving its local community's interests.

CBC supports the categories proposed by the Commission, as well as a "catch-all" provision. These categories include: 1) local and national news programming; 2) local and national public affairs programming; 3) political discourse programming; 4) underserved communities programming; 5) public service announcements; 6) attempts to ascertain the programming needs of its various community groups; 7) community outreach efforts; and 8) time brokerage arrangements, if any. CBC believes these categories can be answered in a simple yes/no format, with the opportunity for brief narrative explanations to be attached to the form, permitting broadcasters to elaborate on their responses.

To the extent that the Commission decides to adopt a different standardized form than the Gore Commission's proposed form, CBC would nonetheless support the adoption of any standardized form that provides the Commission and the public with information necessary to determine the public interest contributions of broadcasters.

IV. Quarterly Reporting.

CBC supports the proposal to require that the standardized form be completed on a quarterly basis. There are many parallels between the proposed form and the Commission's current quarterly children's programming reporting requirements. It would seem appropriate to require public interest information to be reported in a similar manner. However, to reduce the regulatory burden and lessen the Commission's administrative oversight, CBC supports the proposal that standardized forms need not be filed with the Commission but merely maintained in a station's public inspection file. The Commission can then assess a station's fulfillment of its public interest obligations as part of the renewal process.

V. Internet Posting.

CBC also encourages the posting of public inspection file information on broadcasters' Internet webpages. The majority of stations now have websites and employ webmasters to oversee the content of those sites. Widely available scanning equipment, in use by the Commission as well as the private sector, permits stations to post public inspection file information in an accessible format over the Internet,

which is rapidly becoming the preferred method of information gathering by the public.

In addition, CBC supports the requirement that all broadcaster webpages be accessible to persons with disabilities. For example, a requirement that all broadcaster websites be “Bobby Approved” would provide the Commission and broadcasters alike with a commercially recognizable system for determining disability access. *See* www.cast.org/bobby.

Finally, CBC supports the notion that all broadcasters should interact with their community via broadcaster-sponsored online forums. However, due to the nascent status of such forums and the various methods employed by broadcasters in interacting with their communities, CBC does not at this time support any mandatory requirements on licensee interaction with the public through Internet websites.

VI. A Standardized Form Does Not Present a Return to Ascertainment Requirements.

CBC agrees with USCC and the Commission that the repeal of ascertainment requirements in 1984 did not serve to release broadcasters from their community interest obligations. Moreover, the proposed form would be far less burdensome than were the ascertainment requirements. The form does not place financial burdens on licensees to, for example, determine the details of the demographic makeup of the community or conduct interviews with community leaders and citizens. Rather, the standardized form presents minimal regulatory burdens on licensees to examine their own programming to determine the public interest value

of their own content. In contrast to the ascertainment regime, the standardized form would not critique a licensee's method of obtaining information about its community -- rather, the focus would be on how the licensee's ultimate programming is responsive to the needs of its community of license.

VII. Conclusion.

For the reasons set forth above, CBC supports the adoption of a standardized form similar in content to the Gore Commission's proposed form. CBC agrees that the form need not be filed with the Commission but should instead be placed in a broadcaster's public inspection file on a quarterly basis. Finally, CBC agrees that the contents of public inspection files should be accessible via the Internet, in a form accessible to individuals with disabilities, so that local communities can assess a station's efforts to broadcast in the public interest of its community.

Respectfully submitted,

/s/ James F. Goodmon
James F. Goodmon
President
Capitol Broadcasting Company, Inc.
711 Hillsborough St.
Raleigh, NC 27603
(919) 890-6000

Dated: January 4, 2001

WAS1 #897860 v2

EXHIBIT A

their purpose. In fact, in the current highly competitive television landscape those rules hinder their purposes of competition, diversity, and localism. FCC rules wrongly prevent broadcasters from entering arrangements that would make it economically sensible to provide significant amounts of local programming, news, and other public interest programming. Although the topic of ownership goes beyond what the Advisory Committee was asked to address, we should not kid ourselves: current ownership rules seriously threaten broadcasters' ability to serve their local communities.

Finally, I wish to state my opposition to the Report's treatment of multiplexing by digital broadcasters. The Report suggests that a fee be imposed on broadcasters that provide multiple streams of programming. If broadcasters charge a subscription for such programming there are separate rules requiring fees on broadcasters, as the Report acknowledges. Thus, this proposal is solely about the provision by broadcasters of multiple free signals. The notion of taxing or otherwise penalizing free broadcasting defies logic. For decades, it has been Government policy to encourage the provision of free over-the-air television. There is nothing about digital technology that warrants the replacement of that policy with one that will discourage free television.

Many of the Report's other proposals can and should be refined as we learn more about the technology and economics of digital broadcasting. But in the pre-dawn of the digital television era, it was appropriate to bring this group together to consider the public interest obligations of digital broadcasters, and it is right to reaffirm the status of the broadcast industry as trustee of the public airwaves with real obligations to serve its audience.

Statement of James F. Goodmon Supporting Minimum Standards for Digital Television Broadcasters

Beginning with the first Advisory Committee meeting, when I handed out a copy of the original NAB Code to every member, I emphasized my view that it is very important to establish minimum public interest standards and a voluntary code of conduct for digital television broadcasters. Throughout the proceedings, I have consistently promoted that view. I believe that it is very important to *reaffirm* the principles of localism and public service as we enter the digital broadcasting era.

The consensus Report of the Advisory Committee takes a *moderate* position regarding digital broadcast "regulation." It goes something like this:

- (1) In lieu of paying money for a digital broadcast license, the licensee will agree (in effect, enter into a contract) to "serve the public interest" through the operation of its station.
- (2) What does "serve the public interest" mean? Good question—the Advisory Committee views this as a three-step process:

- (a) All stations should be required to meet certain *minimum* standards of public interest performance. These minimum standards should be broad and flexible.
- (b) A voluntary code of conduct should be put in place to encourage higher than minimum standards for the broadcast industry. (The NAB did a good job with this in the past.)
- (c) All stations should be required to report quarterly on their public interest activities.

The devil, of course, is in the details, and the Advisory Committee encourages the FCC to work with broadcasters and public interest groups to hammer out the specifics. The Advisory Committee Report, with its attachments, includes some specific suggestions regarding minimum standards, the voluntary code, and quarterly reporting.

To my comments I am attaching the "Minimum Public Interest Requirements for Digital Television Stations" submitted by the Working Group on Minimum Public Interest Standards.¹ I chaired this Working Group. I need to point out that this is not a consensus proposal from the Working Group, although I do believe that a majority of the Advisory Committee supports its contents.

A suggested voluntary code is included in the full Advisory Committee report. (See Appendix B.) A suggested quarterly reporting format is included in the Advisory Committee Report. (See Appendix A.)

Our consensus Report necessarily avoids two widely divergent positions regarding broadcast "regulation." It is interesting that both poles of the argument use the "*free market*" principle (profit motive) as the basis for their positions. One states that there should be no regulation because the "*free market*" will (by definition) cause the stations to operate in the public interest. That is, the only way to make a profit is to operate in the public interest. Their argument is that regulation in any form is costly, stifles creativity, is onerous, outdated, and unnecessary. This leads, quickly, to the rejoinder that if broadcasters will not commit, in a meaningful and quantifiable way, to serve the public interest in return for the free use of public spectrum then their licenses should be auctioned in the "*free market*" to the highest bidder. Again, it is my feeling that the Advisory Committee Report takes a sensible middle road between the two extremes.

As a broadcaster, I do not view these minimum standards as *regulation*. In return for a license to use a public asset for private financial gain, a broadcaster agrees to serve the public interest. The broadcast company is fulfilling a contract between itself as the user of a public asset and the public body that owns the asset. *As with all contracts, both parties to the agreement need to know exactly the responsibilities that they have to each other.* With minimum standards spelled out, there is no question.

As a broadcaster I would like to know what is expected of me in serving the public interest. Required minimum standards and a voluntary code provide the benefit of certainty to broadcasters. I like to know what the rules are.

MINIMUM PUBLIC INTEREST REQUIREMENTS FOR DIGITAL TELEVISION STATIONS

Submitted by
Working Group on Minimum Public Interest Standards

Mandated Minimum Requirements

- A. **Community Outreach.** Stations should be required to develop a method for determining or "ascertaining" a community's needs and interests. This process of reaching out and involving the community should serve as the station's road map for addressing those needs through news, public affairs programming, and public service announcements. Further public input should be invited on a regular basis through regular postal and electronic mail services. The call for requests for public input should be closed captioned. On a quarterly basis, the stations should report to the Federal Communications Commission and the public on how ascertained needs determined management decisions on developing public interest programming.
- B. **Accountability.** Whether or not there are required minimums, stations should report quarterly to the FCC and the public on their public interest efforts. This report would include quantitative and qualitative information about PSAs, public affairs programming, news programs, children's programs, ascertainment, etc. These quarterly reports should be broadcast by the station and also provided through an on-line internet service. In addition, we believe the NAB Public Interest Report provided valuable information to this Committee and others and we would encourage the NAB to offer this report on an annual basis. Standardized Quarterly Reports from the stations would aid the NAB in this effort. (Another subcommittee has been assigned the task of preparing a proposed quarterly checklist for stations to place in their public files.)

The station's public file documents would be made available by mail or posted through an on-line service to the community. "Electronic filing" opportunities for stations should be explored by the FCC.
- C. **Public Service Announcements.** A minimum number of public service announcements should be required with an emphasis placed on locally-produced PSAs addressing the community's local needs. A certain percentage of those PSAs should be mandated to run in prime time and other day parts. (See Attachment for a suggested range of required numbers for PSAs and for a suggested phase-in period.)
- D. **Public Affairs Programming.** Each broadcast station also should be required to devote a minimum amount of time to public affairs programming, again with an emphasis on local issues and needs. Highly visible time periods should also be spelled out for these important programs. Segments within a regularly scheduled newscast should not be counted toward the minimum time requirements for public affairs programming. (See Attachment for suggested minimum requirements and a suggested phase-in period.)
- 5) **Free Political Programming.** Programming time should be set aside for key political races. One of two methods could be selected for this requirement:
 - (1) Broadcasters should provide at least five minutes of free political discourse each evening for the thirty nights prior to a primary or general election of candidate-centered races. Those programs should air between 6 p.m. and 11:30 p.m. In no case, would the minimum length of these political blocks be less than two minutes.

- (2) Broadcasters would offer at least four hours of free political program time in the 60 days preceding primaries or general elections. One-half of this programming should be broadcast between 6 p.m. and 11:30 p.m. (For example, stations could program one-half hour per week for eight weeks prior to the election.) Station management could make the decision on how to block the time.

In either selection made above, news interviews of candidates would not count toward the total requirements of time.

Large political races often pose problems for broadcasters because of the sheer number of offices and candidates available. Local broadcasters should be encouraged to work together to provide outlets for as many candidates as possible. As an example, stations could work together to divide the offices and candidates among themselves.

- 6) **Closed Captioning.** A broadcast station should be required to provide closed captioning of all PSAs, public affairs programming, and political programming. A station should provide one fourth of such captioning by the close of the first year of its digital transmission, and increase the amount of such captioning by one fourth over each subsequent year. Because most stations will begin digital transmissions after 2002, this schedule will be consistent with the captioning schedule imposed by recent FCC rules that require most new programming to be captioned by 2006.
- 7) **Lowest Unit Charge.** The current "lowest unit charge" system used by stations for political advertising is very complex and difficult for stations and candidates to administer. Further, because of a change in industry sales policies to more of an "auction" selling system, the current "lowest unit charge" plan is confusing. For purposes of simplification and to provide a preferred rate to candidates, the current "lowest unit charge" used by stations shall be replaced by a "bonus rate" plan whereby one bonus political spot would be provided for every three spots paid for by the candidate. These "bonus rates" would apply only in commercials where the candidate appears and voices 75 percent of the total commercial spot.
- 8) **Issue Advertising.** Recent years have seen a sharp expansion of television advertising close to elections that qualifies as "issue advocacy," falling outside the legal definition of political advertising but is obviously purchased by groups with names like "Citizens for Good Government," that disguise from viewers the sponsor or founder of the message. To preserve the principle of disclosure to the public, stations should require purchasers of issue advertising, who use the name or likeness of a candidate for office within the viewing area of the station, to provide full information about the sponsor and officers of organizations funding the advertising within sixty days of an election, which the station should in turn make public before the election.
- 9) **Multi-casting.** Digital television offers opportunities for broadcasters to carry programming on multiple channels. And while the committee has discussed many alternatives for providing public interest requirements for these additional channel opportunities, it is the subcommittee's recommendation that a station's primary channel must meet all the public interest minimum requirements outlined in this document. The larger committee should have some latitude in developing requirements for these additional channels but in no case should a broadcaster be allowed an opportunity to pay a fee rather than meet these requirements on any channel unless that channel is a designated "ancillary" channel under FCC rules and a government imposed fee is charged.

- 10) **Diversity in Employment.** The committee recognizes that Equal Opportunity Rules implemented by the FCC resulted in significant improvements in diversity of employment in the broadcast industry. Realizing the courts have, at this time, invalidated those rules, the committee encourages the FCC to look for other opportunities to establish employment standards that meet the legal criteria and ensure non-discrimination in employment practices. If this is not possible, individual broadcasters should be encouraged to develop non-discriminatory policies for employment under a voluntary code.

[Note to reader: The report of the Working Group also included sections on the importance of must-carry and an industry-adopted voluntary code of conduct.]

ATTACHMENT

These are Proposed Ranges and Phase-In Periods for PSAs and Public Affairs Programming Requirements.

Public Service Announcements.

- (1) **Proposed range.** The suggested range for the number of public service announcements required is from 110 to 150 per week for each station or channel. The suggested breakout by time period follows:

6:00 a.m. – 4:00 p.m.	40 – 60
4:00 p.m. – 11:30 p.m.	30 – 40
11:30 p.m. – 6:00 a.m.	40 – 50

- (2) **Local Emphasis.** At least one half of the spots should be locally-produced and directed toward local issues.

- (3) **Phase In Period.** PSA requirements would be phased in with approximately one-third of the PSAs required in the first year of digital transmission, one third in the second year, and all numerical requirements met in the third year.

Public Affairs Programming. While we suggest that broadcasters be required to carry at least two hours of local programming each week, a suggested phase-in period might allow the following:

Year one	Weekly, one-half hour, locally-produced public affairs programming
Year two	Weekly, one hour or two half hours of programming
Year three	Weekly, two hours of public affairs programming

The first one-half hour of programming should be carried between the hours of six p.m. and midnight.

In year two and thereafter, one-half of all public affairs programming should be (a) broadcast between six p.m. and midnight and (b) locally produced and aimed at local community needs and interests.

Free Political Programming. Political programming should not be phased in. Minimum requirements should be met following implementation.

EXHIBIT B

STATEMENT OF JAMES F. GOODMAN, PRESIDENT AND C.E.O. OF CAPITOL BROADCASTING COMPANY, INC., BEFORE THE FEDERAL COMMUNICATIONS COMMISSION ON OCTOBER 16, 2000, CONCERNING PUBLIC INTEREST OBLIGATIONS OF TELEVISION BROADCAST LICENSEES

As a local broadcaster, I strongly endorse the idea of minimum public interest standards and a voluntary code of conduct for digital television licensees. The relationship between broadcasters and their local communities is the cornerstone of free, over-the-air broadcasting. The very awarding of licenses to *local* broadcasters implies an obligation to serve the interests and needs of the *local* community. The public deserves to know what to expect, at a minimum, from broadcast stations that serve their communities. I therefore support and urge the Commission to adopt a portion of the Gore Commission report entitled, "AN ADDITIONAL PROPOSAL FOR MINIMUM PUBLIC INTEREST REQUIREMENTS AND A VOLUNTARY CODE FOR DIGITAL TELEVISION STATIONS" (see Attachment A).

I applaud the Commissioners and Congress for providing broadcasters the opportunity to make the transition from analog to digital in an orderly manner. The move to the new technology not only improves our long-range viability, but also provides to us more flexibility to better serve our local communities (high definition, multi-casting and data-casting). And, completion of this transition will result in the return of the analog spectrum for public auction.

However, this orderly transition is threatened by issues that have remained unsettled for far too long. These issues are important to broadcasters and the public. The manner in which these issues are resolved, and the pace at which they are resolved, will determine how quickly the public will be able to take advantage of the benefits of digital. I urge the Commission to adopt the following:

- 1) Transmission Standard. Closure must be placed on controversies surrounding the transmission standard. Final direction is required for the industry to move ahead.

- The 8VSB standard should be reaffirmed and work should be done on improving the multi-path handling characteristics of 8VSB receivers.
- 2) Must Carry. In order to meet the 2006 deadline, cable and satellite providers must be required to carry television's digital signals. Further, to maintain the flexibility needed to meet public needs, those operators should be required to carry the full, unaltered, 19.4 bandwidth.
- 3) Digital Tuners. Receiver manufacturers should be required to include digital tuners in all receivers after January 1, 2002.
- 4) Receiver Standards. Minimum standards should be established for receiver chip manufacturers in order to build consumer confidence and credibility.
- 5) Full HDTV. Broadcasters initially approached Congress and the Commission for digital spectrum in order to provide high definition television. It is my belief that broadcasters should be required to broadcast at least two hours per day of HDTV between the hours of 6:00 p.m. and 11:00 p.m.

I am excited about the potential of digital television and grateful for the opportunity to offer it to our communities.

**AN ADDITIONAL PROPOSAL FOR MINIMUM PUBLIC
INTEREST REQUIREMENTS AND A VOLUNTARY CODE FOR
DIGITAL TELEVISION STATIONS**

INTRODUCTION

The relationship between broadcasters and local communities to which broadcasters are licensed always has been and remains the cornerstone of America's system of free, over-the-air broadcasting. Local broadcast television stations are not intended to serve only as conduits for national programming but, instead, are intended to respond more locally to the needs and interests of the communities they serve. This attention to localism is the ingredient that separates television broadcast stations from networks and satellite and cable services. As long as broadcast stations are permitted to use public airwaves, it is not unreasonable for the public, in return, to expect their community needs and interests to be met by the local broadcaster.

With this goal in mind, the President's Committee on Public Interest Obligations of Digital Television Broadcasters is charged with developing a plan to make sure the public interests are provided for in this emerging technology. The goal is to preserve and ensure the public's interest into the digital area.

The Committee's task has been arduous. The Committee itself represents a broad array of viewpoints. The obvious path should be a middle road—one neither designed to appease all broadcasters, nor one designed to garner full support of those calling for spectrum fees or unreasonable regulations. Broadcasters have been provided a valuable asset and in return for the use of that asset, they carry a concomitant responsibility to the public.

Some broadcasters argue, "Trust me, I will do right by the public interest." And many broadcasters now act and will continue to act responsibly. However, others do not act responsibly now nor may not in the future. Many broadcasters followed the old voluntary code adopted by the National Association of Broadcasters. Other did not. Even today, hundreds of stations are not members of the NAB and many do not provide news and public affairs programming. The full Committee has supported a voluntary code of conduct for broadcasters. A clear majority of the members, including some broadcasters, further support a minimum set of standards that would serve to protect the public interest and provide clear, unquestionable guidelines for broadcasters to follow without placing an undue burden on either the government or the communication's industry. We all agree that broadcasters should serve the public interest. The goal is to work together for the common good of the American public. For the reasons mentioned above, a minimum threshold of standards is proposed for broadcasters.

I. Mandated Minimum Requirements

- A. Community Outreach. Stations should be required to develop a method for determining or "ascertaining" a community's needs and interests. This process of reaching out and involving the community should serve as the station's road map for addressing those needs through news, public affairs programming, and public service announcements. Further public input should be invited on a regular basis through regular postal and electronic mail services. The call for requests for public input should be closed captioned. On a quarterly basis, the stations should report to the Federal Communications Commission and the public on how ascertained needs determined management decisions on developing public interest programming.
- B. Accountability. Whether or not there are required minimums, stations should report quarterly to the FCC and the public on their public interest efforts. This report would include quantitative and qualitative information about PSAs, public affairs programming, news programs, children's programs, ascertainment, etc. These quarterly reports should be broadcast by the station and also provided through an on-line internet service. In addition, we believe the NAB Public Interest Report provided valuable information to this Committee and others and we would encourage the NAB to offer this report on an annual basis. Standardized Quarterly Reports from the stations would aid the NAB in this effort. (Another subcommittee has been assigned the task of preparing a proposed quarterly checklist for stations to place in their public files.)

The station's public file documents would be made available by mail or posted through an on-line service to the community. "Electronic filing" opportunities for stations should be explored by the FCC.

- C. Public Service Announcements. A minimum number of public service announcements should be required with an emphasis placed on locally-produced PSAs addressing the community's local needs. A certain percentage of those PSAs should be mandated to run in prime time and other day parts. (See Attachment A for a suggested range of required numbers for PSAs and for a suggested phase-in period.)
- D. Public Affairs Programming. Each broadcast station also should be required to devote a minimum amount of time to public affairs programming, again with an emphasis on local issues and needs. Highly visible time periods should also be spelled out for these important programs. Segments within a regularly scheduled newscast should not be

counted toward the minimum time requirements for public affairs programming. (See Attachment A for suggested minimum requirements and a suggested phase-in period.)

E. Free Political Programming. Programming time should be set aside for key political races. One of two methods could be selected for this requirement:

- (1) Broadcasters should provide at least five minutes of free political discourse each evening for the thirty nights prior to a primary or general election of candidate-centered races. Those programs should air between 6 p.m. and 11:30 p.m. In no case, would the minimum length of these political blocks be less than two minutes.
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Large political races often pose problems for broadcasters because of the sheer number of offices and candidates available. Local broadcasters should be encouraged to work together to provide outlets for as many candidates as possible. As an example, stations could work together to divide the offices and candidates among themselves.

F. Closed Captioning. A broadcast station should be required to provide closed captioning of all PSAs, public affairs programming, and political programming. A station should provide one fourth of such captioning by the close of the first year of its digital transmission, and increase the amount of such captioning by one fourth over each subsequent year. Because most stations will begin digital transmissions after 2002, this schedule will be consistent with the captioning schedule imposed by recent FCC rules that require most new programming to be captioned by 2006.

G. Lowest Unit Charge. The current "lowest unit charge" system used by stations for political advertising is very complex and difficult for stations and candidates to administer. Further, because of a change in industry sales policies to more of an "auction" selling system, the current "lowest unit charge" plan is confusing. For purposes of simplification and to

provide a preferred rate to candidates, the current "lowest unit charge" used by stations shall be replaced by a "bonus rate" plan whereby one bonus political spot would be provided for every three spots paid for by the candidate. These "bonus rates" would apply only in commercials where the candidate appears and voices 75 percent of the total commercial spot.

- H. Issue Advertising. Recent years have seen a sharp expansion of television advertising close to elections that qualifies as "issue advocacy," falling outside the legal definition of political advertising but is obviously purchased by groups with names like "Citizens for Good Government," that disguise from viewers the sponsor or founder of the message. To preserve the principle of disclosure to the public, stations should require purchasers of issue advertising, who use the name or likeness of a candidate for office within the viewing area of the station, to provide full information about the sponsor and officers of organizations funding the advertising within sixty days of an election, which the station should in turn make public before the election.
- I. Multi-casting. Digital television offers opportunities for broadcasters to carry programming on multiple channels. And while the committee has discussed many alternatives for providing public interest requirements for these additional channel opportunities, it is the subcommittee's recommendation that a station's primary channel must meet all the public interest minimum requirements outlined in this document. The larger committee should have some latitude in developing requirements for these additional channels but in no case should a broadcaster be allowed an opportunity to pay a fee rather than meet these requirements on any channel unless that channel is a designated "ancillary" channel under FCC rules and a government imposed fee is charged.
- J. Diversity in Employment. The committee recognizes that Equal Opportunity Rules implemented by the FCC resulted in significant improvements in diversity of employment in the broadcast industry. Realizing the courts have, at this time, invalidated those rules, the committee encourages the FCC to look for other opportunities to establish employment standards that meet the legal criteria and ensure non-discrimination in employment practices. If this is not possible, individual broadcasters should be encouraged to develop non-discriminatory policies for employment under a voluntary code.

XI. Digital Must Carry

To ensure that public interest programming is made available to the local community, "must carry" requirements by cable are critical to the success of this

committee's efforts. Since almost 70 percent of homes receive their television programming by cable, cable operators must be required to carry the new digital signals. A reasonable plan to phase in this "must carry" requirement would ease the burden for cable operators and, at the same time, protect the public interest. As an example, broadcasters could be required to give local cable systems 12-month notification of their intentions to begin digital transmissions and the cable operators could be given an additional 18 months to begin carrying the station's digital signal. And further, since public interest programming could occur in different format schemes, cable operators should be required to carry the full spectrum offered by the broadcast station.

XII. Voluntary Code

- A. We fully support the recommendations of the full committee that a voluntary code of ethics should be a part of any public interest package. This code of conduct should be adopted by the National Association of Broadcasters to set standards beyond the minimum requirements outlined above. If the NAB is unable to endorse a code, then the Federal Communications Commission should implement a code of conduct for broadcasters in addition to the required minimums.
- B. In addition, it is our recommendation that national associations for all multi-channel video providers (cable, satellite, wireless, telephony, etc.) be encouraged to adopt voluntary codes to provide public interest programming to their customers on a regular basis. Emphasis by these groups should be aimed at developing methods to meet local community needs.

ATTACHMENT "A"

These are Proposed Ranges and Phase-In Periods for PSAs and Public Affairs Programming Requirements

Public Service Announcements

- 1) **These are proposed ranges.** The suggested range for the number of public service announcements is from 110 to 150 per week for each station or channel. The suggested breakout by time period follows:

6:00 a.m. - 4:00 p.m.	40 - 60
4:00 p.m. - 11:30 p.m.	30 - 40
11:30 p.m. - 6:00 a.m.	40 - 50

- 2) **Local Emphasis.** At least one half of the spots should be locally produced and directed toward local issues.
- 3) **Phase In Period.** PSAs would be phased in with approximately one-third of the number of PSAs in the first year of digital transmission, one third in the second year, and all numerical requirements met in the third year.

Proposed Public Affairs Programming. We suggest that broadcasters carry at least two hours of local programming each week, a suggested phase-in period might allow the following:

Year one	Weekly, one-half hour, locally produced public affairs programming
Year two	Weekly, one hour or two half hours of programming
Year three	Weekly, two hours of public affairs programming

The first one-half hour of programming should be carried between the hours of six p.m. and midnight.

In year two and thereafter, one-half of all public affairs programming should be broadcast between six p.m. and midnight.

In year two and thereafter, one half of all public affairs programming should be locally produced and aimed at local community needs and interests.

Free Political Programming. Political programming should not be phased in. Minimum requirements should be met following the beginning of digital transmissions by the station.

A.

Public Interest Programming and Community Service Certification Form

PUBLIC INTEREST PROGRAMMING AND COMMUNITY SERVICE CERTIFICATION FORM

LICENSEE		NETWORK AFFILIATION	NIELSEN DMA	HOME PAGE ADDRESS (IF ANY)	
CALL SIGN	CHANNEL NO.	COMMUNITY OF LICENSE	STATE	COUNTY	ZIP CODE

NEWCASTS

1. The licensee typically airs _____ hours of newscasts per week.
2. Of these hours, _____ are typically devoted to local newscasts.

PUBLIC AFFAIRS

3. The licensee has aired at least [] hours* per week of programming addressing national or local public affairs during the past three months. ☐ YES ☐ NO
4. The licensee has aired programming addressing national or local public affairs during the past three months that exceeds (by at least one hour) the weekly minimum listed in question 3. ☐ YES ☐ NO
5. List in Exhibit A a representative sample of programs and/or segments aired during the past three months that addressed national or local public affairs, the day and time each aired, and what issue(s) each addressed.

POLITICAL/CIVIC DISCOURSE

6. The licensee has provided at least five (5) minutes per day, at no charge, for federal, state, or local candidate-centered discourse (e.g., debates, interviews, candidate "uses" as defined in 47 U.S.C. §315(a)) in the 30 days before a general election. ☐ YES ☐ NO ☐ NOT APPLICABLE THIS QUARTER
7. The licensee has aired at least _____ (minutes/hours) of programming during the past three months (not including candidate-centered discourse in question 6 or paid advertising) addressing election- or ballot referendum-related matters in the 30 days before a general election.
8. List in Exhibit B a representative sample of programs and/or segments that aired during the past three months (not including paid advertising) that addressed candidates, elections and/or ballot referendums, the day and time each aired, and what candidates/elections or ballot referendums each addressed.
9. As a matter of policy, the licensee does not sell advertising to state or local candidates in the 30 days before a general election. ☐ YES ☐ NO

UNDERSERVED COMMUNITIES

10. The licensee has aired at least _____ (minutes/hours) of programming during the past three months to meet the needs of underserved communities, i.e., demographic segments of the community of license to whom little or no programming is directed, for example, people of color, the elderly, gays, and lesbians.
11. List in Exhibit C a representative sample of programs and/or segments that aired during the past three months that met the needs of an underserved community, the day and time each aired, and the underserved audience segment each addressed.

LOCAL PROGRAMMING (NOT LISTED ELSEWHERE IN THIS REPORT)

12. The licensee has aired at least _____ (minutes/hours) of locally originated or locally oriented programming, programming primarily devoted to coverage of local issues and/or programming providing opportunity for local self-expression (not listed elsewhere in this report) during the past three months.
13. List in Exhibit D a representative sample of programs and/or segments aired during the past three months that were locally originated or locally oriented, addressed local issues, and/or provided opportunity for local self-expression (not listed elsewhere in this report), the program length, the day and time each aired, and what local issue(s) each addressed.

PUBLIC SERVICE ANNOUNCEMENTS	
14. The licensee airs at least ()% locally originated public service announcements during a three-month period.	<input type="checkbox"/> YES <input type="checkbox"/> NO
15. At least ()% of these public service announcements are aired between 6 a.m. and midnight.	<input type="checkbox"/> YES <input type="checkbox"/> NO
16. The licensee airs at least ()% other public service announcements during a three-month period.	<input type="checkbox"/> YES <input type="checkbox"/> NO
17. At least ()% of these public service announcements are aired between 6 a.m. and midnight.	<input type="checkbox"/> YES <input type="checkbox"/> NO
18. List in Exhibit E a representative sample of no fewer than five local and five national issues addressed by public service announcements during the past three months.	
ASCERTAINMENT	
19. The licensee undertakes efforts to ascertain the programming needs of various segments of their communities.	<input type="checkbox"/> YES <input type="checkbox"/> NO
20. List in Exhibit F a representative sample of these efforts.	
COMMUNITY SERVICE	
21. List in Exhibit G any community service programs, community outreach, or other similar non-broadcast activities directed to serving the community of license undertaken during the past three months.	
LOCAL MARKETING AGREEMENTS AND EXTENDED TIME BROKERAGE AGREEMENTS	
22. The licensee leases or sells three hours or more per day to an entity other than the licensee pursuant to a local marketing agreement or time brokerage agreement.	<input type="checkbox"/> YES <input type="checkbox"/> NO
23. The licensee retains editorial control over all political programming which does not constitute candidate "uses" as defined in 47 U.S.C. §315(a), retains control over the station's political broadcasting files, and has taken steps to ensure that no political programming decisions are made by entities other than the licensee.	<input type="checkbox"/> YES <input type="checkbox"/> NO
24. If the answer to any part of question 22 is no, please explain in Exhibit H.	
CERTIFICATION	
WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE TITLE 47, SECTION 312(a)(1), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).	
I certify that the statements in this certification are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.	
Name of Licensee _____	
Signature _____	Date _____
*Minimums as determined by the Federal Communications Commission.	

EXHIBIT C

A.

Public Interest Programming and Community Service Certification Form

PUBLIC INTEREST PROGRAMMING AND COMMUNITY SERVICE CERTIFICATION FORM

LICENSEE		NETWORK AFFILIATION	NIELSEN DMA	HOME PAGE ADDRESS (IF ANY)	
CALL SIGN	CHANNEL NO.	COMMUNITY OF LICENSE	STATE	COUNTY	ZIP CODE

NEWCASTS

1. The licensee typically airs ____ hours of newscasts per week.
2. Of these hours, _____ are typically devoted to local newscasts.

PUBLIC AFFAIRS

3. The licensee has aired at least [] hours* per week of programming addressing national or local public affairs during the past three months. ☐ YES ☐ NO
4. The licensee has aired programming addressing national or local public affairs during the past three months that exceeds (by at least one hour) the weekly minimum listed in question 3. ☐ YES ☐ NO
5. List in Exhibit A a representative sample of programs and/or segments aired during the past three months that addressed national or local public affairs, the day and time each aired, and what issue(s) each addressed.

POLITICAL/CIVIC DISCOURSE

6. The licensee has provided at least five (5) minutes per day, at no charge, for federal, state, or local candidate-centered discourse (e.g., debates, interviews, candidate "uses" as defined in 47 U.S.C. §315(a)) in the 30 days before a general election. ☐ YES ☐ NO ☐ NOT APPLICABLE THIS QUARTER
7. The licensee has aired at least _____ (minutes/hours) of programming during the past three months (not including candidate-centered discourse in question 6 or paid advertising) addressing election- or ballot referendum-related matters in the 30 days before a general election.
8. List in Exhibit B a representative sample of programs and/or segments that aired during the past three months (not including paid advertising) that addressed candidates, elections and/or ballot referendums, the day and time each aired, and what candidates/elections or ballot referendums each addressed.
9. As a matter of policy, the licensee does not sell advertising to state or local candidates in the 30 days before a general election. ☐ YES ☐ NO

UNDERSERVED COMMUNITIES

10. The licensee has aired at least _____ (minutes/hours) of programming during the past three months to meet the needs of underserved communities, i.e., demographic segments of the community of license to whom little or no programming is directed, for example, people of color, the elderly, gays, and lesbians.
11. List in Exhibit C a representative sample of programs and/or segments that aired during the past three months that met the needs of an underserved community, the day and time each aired, and the underserved audience segment each addressed.

LOCAL PROGRAMMING (NOT LISTED ELSEWHERE IN THIS REPORT)

12. The licensee has aired at least _____ (minutes/hours) of locally originated or locally oriented programming, programming primarily devoted to coverage of local issues and/or programming providing opportunity for local self-expression (not listed elsewhere in this report) during the past three months.
13. List in Exhibit D a representative sample of programs and/or segments aired during the past three months that were locally originated or locally oriented, addressed local issues, and/or provided opportunity for local self-expression (not listed elsewhere in this report), the program length, the day and time each aired, and what local issue(s) each addressed.

PUBLIC SERVICE ANNOUNCEMENTS

14. The licensee airs at least []* locally originated public service announcements during a three-month period.

☐ YES ☐ NO

15. At least []* of these public service announcements are aired between 6 a.m. and midnight.

☐ YES ☐ NO

16. The licensee airs at least []* other public service announcements during a three-month period.

☐ YES ☐ NO

17. At least []* of these public service announcements are aired between 6 a.m. and midnight.

☐ YES ☐ NO

18. List in Exhibit E a representative sample of no fewer than five local and five national issues addressed by public service announcements during the past three months.

ASCERTAINMENT

19. The licensee undertakes efforts to ascertain the programming needs of various segments of their communities.

☐ YES ☐ NO

20. List in Exhibit F a representative sample of these efforts.

COMMUNITY SERVICE

21. List in Exhibit G any community service programs, community outreach, or other similar non-broadcast activities directed to serving the community of license undertaken during the past three months.

LOCAL MARKETING AGREEMENTS AND EXTENDED TIME BROKERAGE AGREEMENTS

22. The licensee leases or sells three hours or more per day to an entity other than the licensee pursuant to a local marketing agreement or time brokerage agreement.

☐ YES ☐ NO

23. The licensee retains editorial control over all political programming which does not constitute candidate "uses" as defined in 47 U.S.C. §315(a), retains control over the station's political broadcasting files, and has taken steps to ensure that no political programming decisions are made by entities other than the licensee.

☐ YES ☐ NO

24. If the answer to any part of question 22 is no, please explain in Exhibit H.

CERTIFICATION

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE TITLE 47, SECTION 312(a)(1), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements in this certification are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

Name of Licensee _____

Signature _____

Date _____

*Minimums as determined by the Federal Communications Commission.